

BOARD OF TRUSTEES MEETING MINUTES

HELD ON

November 26, 2024

The meeting was called to order by Board President, Robert Baca, at 11:45 a.m.

1. ROLL CALL AND DETERMINATION OF QUORUM

Present: **Robert Baca, President**
 James Ortiz, Vice President
 Virginia Mondragon, Secretary/Treasurer
 Samuel Ramirez, Trustee
 Les Montoya, General Manager
 Irinea Valdez, Administrative Assistant

- 2. INVOCATION** – Robert Baca, Board President, led us in prayer.
- 3. PLEDGE OF ALLEGIANCE** –The Pledge of Allegiance was recited.
- 4. EXECUTIVE SESSION-** Motions was made to go into executive session at 10:40 a.m. by Gina Mondragon and seconded by James Ortiz. Motion to adjourn executive session at 11:40 a.m. was made by Sam Ramirez and seconded by James Ortiz. No action was taken.
- 5. APPROVAL OF AGENDA** – The Agenda for today’s meeting was presented. Les Montoya added an item to the agenda. T & D Professional Services Hazard Tree Project. A motion was made by Gina Mondragon to approve the Agenda, Seconded by James Ortiz. Motion carried.
- 6. RECOGNITION OF GUEST** – None
- 7. Introduction of New Employee** – None
- 8. SAFETY REPORT/MINUTES** – None
- 9. ACTION OF REGULAR MEETING MINUTES HELD ON October 29, 2024** – The Board Minutes for the meeting held on October 29, 2024 were presented for review. Gina Mondragon, motioned to approve the minutes as presented. Sam Ramirez seconded the motion. Motion carried.

- 10. APPROVAL OF NEW MEMBERSHIPS (MORA 32 – PECOS 14)** A total of forty-six memberships were presented. After review, a motion was made by James Ortiz, seconded by Sam Ramirez, to approve all new memberships. Motion carried.
- 11. MANAGER’S REPORT** – Manager’s report and Finance report were approved with a motion by Gina Mondragon and seconded by Sam Rameriz. Motion carried.
- 12. Delinquent report** – AS of September 2024 there were \$178,7720.92 total delinquents and as of October 2024 there were \$83,878.18 total delinquents.
- 13. RUS FORM 7** – The month ending October 31, 2024 shows a margin of \$26,215 for the month We are at \$1,040,286 in Revenue, \$860,042 Total Expenses, and \$113,090 in Depreciation. Interest on long term debt \$22,273 and Interest expenses \$24,028. Total cost for the month \$1,020,536. Non-Operating margins interest \$6,465. Operating Margins is \$26,215 for year-to-date. Tier .53 YTD and 2.17 for the Month.
- 14. Outage report** – October, 2024 - Incomplete
- 15. FINANCE REPORT** –A motion to approve the Finance report and Manager’s report was made by James Ortiz and seconded by Sam Ramirez motion carried.
- 16. TRI-STATE TRUSTEE REPORT** – Robert Baca, Tri-State Trustee, reported on the November 2024 meeting. Some topics covered included the following:
- Discussed ERA funding awarded to Tri-State.
 - Held a special meeting on how the funds would be distributed and to make sure all the documents would be in order.
 - Discussed Upcoming Legislative Bills on how it might affect Tri-State
 - Contract committee discussed extending contract proposal to raise renewable allowance from 5% to 10%.
 - Discussion was made that a contract extension will insure proposing options for terminating supply contract
 - There will be a presentation made at Annual meeting on contract extensions.
 - Discussed the issues dealing with the wildfires. Supply contract extension will be on the Agenda for the Tri-state Annual meeting.
 - Proposal to close one of the coal mines
- 17. NMREC TRUSTEE REPORT** – James Ortiz, NMREC Trustee reported on the November 8, 2024 meeting consisted of only Executive Session.

18. ON-GOING BUSINESS-

- a. **Tri-State Generation and Transmission, Inc., and MSM Solar, LLC**
- b. **Bring your own Resource (BYOR) determination by Tri-State, Mora Vista Solar Project.** MSMEC, Springer Electric and South Western Electric were informed by Tri-State that the Mora Vista Solar BYOR proposal submitted on behalf of the cooperatives mentioned failed to meet the evaluation criteria applied by the Tri-State's Third-Party Evaluator. Tri-State will allow for a revision of the original proposal for evaluation under the Revised Proposal Period. The Economic Analysis are prepared by ACE. The initial proposal was made available to Board. MSMEC and the other two cooperatives will visit with Mora Vista Solar BYOR project developer to determine if a suitable revision of the proposal would be acceptable. Requesting the Board authorization to continue with participating in the BYOR program Mora Vista Solar project if the revised proposal is beneficial to the three cooperatives interested in participating. The Board authorized the Manager to continue to pursue this proposal.
- c. **Revised Board Policy No. 209.** Revisions made to existing Board Policy No. 209 for review. The changes include language which allows for Exempt Employees to be paid $\frac{1}{4}$ of their Personal Leave Time after they reach the maximum limit of 750 hours. Requesting the Board to review and approve the Board Policy No. 209.
Les Montoya is requesting to table for next month due to changes presented to the present wording. Motion to table was made by Sam Ramirez and seconded by James Ortiz, Motion carried.
- d. **T & D Professional Services – Service Agreement -** Contract for professional services that are to be provided by T & D for the entire planning development Bid award and construction oversight for the hazard tree removal project. The Professional Service Agreement is written in accordance with FEMA requirements as required by FEMA and after being reviewed by the Coop's attorney. Asking the Board to Approve this Professional Service's Agreement so that we may continue using T & D in accomplishing the work that is necessary to remove hazard trees from burned scar. Motion made by James Ortiz and seconded by Sam Ramirez. Motion carried.
- e. **Presenting the 2025 Employee Calendar -** consisting of pay days and holidays - Approved by the Board on November 26, 2024. Motion to approve was made by Sam Ramirez and seconded by James Ortiz. Motion carried.

19. NEW BUSINESS –

- a. **Standby/Contingency and Emergency Response for Heavy Equipment Request for Bids.** Hermits Peak/Calf Canyon post fire burn scar conditions coupled with

winter weather is creating and will continue to create havoc for line crews and equipment when responding to outages within the burn scar. In an effort to prepare to be able to respond to all outages during these conditions, MSMEC is preparing to set a contingency plan that will ensure the ability for line crews to respond to outages during inclement weather conditions and or conditions where hazard trees have fallen to lines or blocked the right of ways. A request for Bids was advertised on November 20, 2024. Bids will be opened on December 10, 2024 Requesting authorization to advertise the RFB as a safety measure to ensure the safe access to outage areas and to ensure the ability to address the outage issues occurring as a result of burn scar conditions. Request after the fact is due to the need to advertise as soon as the RFB was ready and after recent heavy snow falls in the service area. Motion to approve request for Bid was made by James Ortiz and seconded by Sam Ramirez. Motion carried.

- b. Recent 2023 FEMA Audit of MSMEC was conducted by Bolinger, Segars, Gilbert & Moss L.L.P...** Bolinger, Segars, Gilbert & Moss L.L.P. was contracted to perform 2023 FEMA Audit to review the Cooperative's compliance with Federal disaster relief funding guidelines related to the DR4562 recovery efforts. The total federal expenditures of \$13,876,576 and \$271,197 were Category Z costs (Management Costs). The Cooperative received a total of \$7,643,163 from FEMA during the year ending December 31, 2023. Requesting the Board to hear report presented by Julie Pacheco, Finance Manager. Board listened to report with no questions.

Motion made by Sam Ramirez to adjourn regular meeting and seconded by James Ortiz. Motion carried

Sam Ramirez then made the motion to begin the MSMEC Educational Foundation meeting seconded by James Ortiz. Motion carried.

20. MSMEC EDUCATIONAL FOUNDATION

- a. Villanueva Library and El Valle Community Center** – The El Valle Community Center and Library and now Food pantry would like to request funding from the Educational Fund for the 2025 fiscal year. They are in appreciation for the funding that MSMEC so generously gave last year. It is very difficult to get funding for a non-profit organization. We have been very lucky that our Center is thriving and has become an important part of the El Valle Community. Funding approval under remaining 2023 Education Foundation reserved funds to the Villanueva El Valle Community Center, Pecos Library and Mora Economic Development Corporation equally. Motion to approve made by James Ortiz and seconded by Sam Ramirez. Motion carried.

Motion made to go back to regular meeting made by Sam Ramirez and seconded by James Ortiz. Motion carried.

21. CORRESPONDENCE –

- a. Thank you from the Youth Shelters & family Services in honor of Keven Groenewold

22. INFORMATION

1. Calendar of Events

- a. December 11, 2025, Director’s Training Course 952.1 – Increasing Influence and Building
- b. NRECA Power Xchange 2025 – March 7-12, 2025, Atlanta Georgia
- c. Next meeting is scheduled for December 19, 2024

23. EXECUTIVE SESSION-

- a. Personnel Matters
- b. Update on Union Matters
- c. Litigation Matters

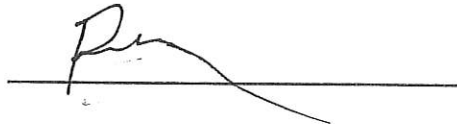
24. OTHER BUSINESS TO COME BEFORE THE BOARD – None

25. ADJOURNMENT – A motion to adjourn today’s meeting was made by James Ortiz and seconded by Sam Ramirez. Motion carried unanimously. Meeting adjourned at approximately 2:56 p.m.

ATTEST:



A handwritten signature in black ink, appearing to read 'James Ortiz', written over a horizontal line.



A handwritten signature in black ink, appearing to read 'Sam Ramirez', written over a horizontal line.